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ABSTRACT

A study was conducted of the use of outcome measurement by the U.S. Department of Health and Human Services (HHS) and states to determine whether JOBS (Job Opportunities and Basic Skills) program participants are finding employment and leaving welfare. In order to assess the progress that HHS has made in establishing outcome indicators and goals, researchers from the General Accounting Office interviewed officials from HHS and various welfare research and interest groups. They also reviewed JOBS regulations and reports and surveyed JOBS administrators in the 50 states and the District of Columbia to determine state performance monitoring practices. In addition, they reviewed HHS' proposed approach to developing outcome indicators, examined the literature on the development of performance monitoring systems, and interviewed experts in the field. The study found that HHS does not know whether JOBS is reducing welfare dependency because it does not gather enough information on critical program outcomes, such as the number of participants entering employment and leaving welfare annually. In addition, states are held accountable for the number and type of participants enrolled in education and training but not for outcomes, such as the number of participants finding employment. Although little progress has been made in monitoring JOBS outcomes at the federal level, nearly all states use some information on participant-outcomes to manage their individual programs. A majority of states monitor the number of JOBS participants entering employment and hourly wages at hire. In addition, more than half the states have established annual outcome goals. The study recommended that program objectives and outcome goals for the JOBS program be clearly defined by HHS as soon as possible. (The report of the includes four appendixes: scope and methodology of the study; GAO questionnaire regarding JOBS program characteristics; comments from HHS; and a list of major contributors to the report.) (KC)

United States General Accounting Office

GAO

Report to the Ranking Minority Member, Committee on Finance, U.S. Senate

April 1995

WELFARE TO WORK

Measuring Outcomes for JOBS Participants

ED 382 784

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United States
General Accounting Office
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Health, Education, and
Human Services Division

B-256125

April 17, 1995

The Honorable Daniel P. Moynihan
Ranking Minority Member
Committee on Finance
United States Senate

Dear Senator Moynihan:

Between 1989 and 1994, federal and state governments spent about 8 billion dollars on the Job Opportunities and Basic Skills Training (JOBS) program. The program helps recipients of Aid to Families with Dependent Children (AFDC) obtain the education, training, and services necessary for employment. For program managers and policymakers to determine whether this investment has helped achieve the objective of reducing welfare dependency requires information on JOBS participants' outcomes, such as whether they are becoming employed and leaving AFDC. In working toward welfare reform, information on the extent to which JOBS is achieving its objectives is more important than ever for the Congress.

This report responds to your request that we study the use of outcome measurement by the Department of Health and Human Services (HHS) and states in determining whether JOBS participants are finding employment and leaving AFDC. Specifically, we addressed the following questions: (1) What progress has HHS made in measuring the employment and AFDC status of JOBS participants at the national level and setting national goals against which program performance will be measured? (2) To what extent are states measuring participant outcomes and setting performance goals? (3) What major issues should be considered in establishing a national approach to measuring JOBS participant outcomes and setting performance goals?

To assess the progress that HHS has made in establishing outcome indicators and goals, we interviewed officials from HHS and various welfare research and interest groups. We also reviewed JOBS regulations and reports. Using a mail questionnaire, we surveyed JOBS administrators in the 50 states and the District of Columbia to determine state performance monitoring practices. To determine the issues that should be considered in developing indicators and goals, we reviewed HHS' proposed approach to developing outcome indicators, examined the literature on the development of performance monitoring systems, and interviewed experts

in the field. See appendix I for further details on our scope and methodology.

Results in Brief

HHS does not know whether JOBS is reducing welfare dependency because it does not gather enough information on critical program outcomes, such as the number of participants entering employment and leaving AFDC annually. In addition, states are held accountable for the number and type of participants enrolled in education and training but not for outcomes, such as the number of participants finding employment. While the current approach to monitoring performance provides important information on the activities of JOBS participants, state JOBS directors are concerned that the approach provides little incentive for states to focus on moving participants off AFDC and into jobs.

While little progress has been made in monitoring JOBS outcomes at the federal level, the picture is better at the state level. Nearly all states use some information on participant outcomes to manage their individual programs, although the extent to which states monitor outcomes varies widely. At least in part to demonstrate to their state legislatures that program objectives are being achieved, a majority of states monitor the number of JOBS participants entering employment and hourly wages at hire. In addition, over one-half of the states have established annual outcome goals. Although many states gather some JOBS outcome data, without a standard federal approach, few states could provide us with comparable data. However, our survey of JOBS directors found that 27 states could provide annual data on individuals entering employment. In these states, about 21 percent of JOBS participants found jobs in 1993.

The current national interest in making welfare more employment focused, as well as requirements in the Government Performance and Results Act (GPRA) that performance monitoring become more outcome oriented governmentwide, indicate a need for HHS to move decisively to ensure that it meets its current schedule for developing outcome measures and goals for JOBS. HHS has reported to the Congress that it plans to finalize JOBS outcome measures by October 1996 and outcome goals by October 1998. A critical first step in developing performance goals will be working with the states and other concerned parties to resolve differences regarding whether the primary objective of JOBS is to help participants (1) obtain employment quickly or (2) get the education and training needed for better-paying jobs. Congress is considering whether AFDC and JOBS should be replaced with a welfare-to-work block grant program that

includes some JOBS' objectives and activities. However this issue is resolved, the need for federal accountability would be well served by clearly defined program objectives and outcome goals.

Background

JOBS, created by the Family Support Act (FSA) of 1988, is designed to help families avoid long-term welfare dependency. The act requires all states to establish JOBS programs that make available to AFDC recipients the education, training, and support services they need to prepare for, accept, and retain employment. States can provide these services either directly or through local service providers. Both the states and the federal government share in the costs of the program. States were required to begin their JOBS programs by October 1, 1990, and be in full statewide operation by October 1, 1992. HHS' Administration for Children and Families (ACF) is responsible for managing JOBS at the federal level.

To understand whether a human services program, such as JOBS, is achieving its objectives or in need of improvement requires a system for gathering information about program performance. Evaluating a program by regularly collecting and analyzing performance information is known as performance monitoring. Performance monitoring systems include two key elements: (1) indicators—which define what performance information will be gathered and (2) goals—a target level of performance against which actual program performance will be gauged.

There are two basic types of indicators: process and outcome. Process indicators for JOBS would provide information about program activities, such as the number of AFDC recipients participating in JOBS, the number of JOBS participants receiving training, and the amount of money being spent on teenage participants. Outcome indicators for JOBS, on the other hand, would capture what happens to people after participating in program activities, such as the number of people who begin working, the number who leave AFDC, and the number still employed after 6 months.

Goals establish the levels of performance that programs are expected to achieve. For example, the goal for participants starting work could be "25 percent of those participating in JOBS each year will enter full-time employment." Goals can be established for outcomes, such as the percentage of participants finding employment, and processes, such as the percentage of participants involved in jobs skills training, for example. Goals are often accompanied by financial incentives for meeting or

penalties for not meeting goals whether they are related to outcomes or processes.

Because the overall goal of JOBS was defined very broadly, states have had the flexibility to focus on a variety of different objectives in an effort to achieve the broader purpose. These varying objectives can result in different approaches for providing JOBS services and different program results. For example, programs with the objective of quickly increasing welfare recipients' earnings may emphasize helping participants find any job; whereas, pursuing the objective of long-term self-sufficiency may lead to more of an emphasis on education and training activities with the hope of placing participants in employment that allows them to move off and stay off AFDC. If there is no agreement on program objectives, reaching agreement on the outcome indicators and goals needed to monitor achievement of the objectives will be very difficult.

FSA mandated that HHS develop outcome goals (known as standards in the act) for JOBS outcomes over time and established goals for certain processes. It initially required HHS by October 1993 to recommend JOBS goals based on specific outcome indicators, such as the number of participants who obtained jobs and moved off welfare. This requirement was later amended to allow HHS until October 1994 to develop criteria for outcome goals for JOBS. Through its funding formula, FSA, in effect, set minimum goals for two JOBS process indicators: rate of program participation and target group[1] expenditures. FSA specified that (1) at a minimum, 20 percent of nonexempt[2] adult AFDC recipients participate in JOBS in fiscal year (FY) 1995 and (2) 55 percent of JOBS program funds be spent in each FY on specified target groups. States are held accountable for meeting both of these process goals and can lose a portion of their federal funding if they fail.

Recent legislation reinforces the expectation, originally articulated in FSA, that HHS develop outcome indicators and goals for JOBS. GPRA seeks, among other objectives, to transform the focus of federal agencies from what they are doing to what results they are accomplishing. To accomplish this

[1]JOBS target group members include AFDC recipients or applicants who have received AFDC for at least 36 months out of the past 5 years; are under 24 years old and have not completed nor are enrolled in high school or have little or no work experience for the preceding year; or are a member of a family in which the youngest child is within 2 years of being ineligible for AFDC because of age.

[2]Subject to the availability of state resources, AFDC recipients 16 through 59 years old must participate in JOBS unless they are exempt. Reasons for exemption include illness or incapacity, working 30 hours or more per week, attending high school, or caring for children under 3 years old. However, teenage parents who have not completed high school and have children under 3 years old are not exempt.

purpose, the act requires agencies to develop 5 year strategic plans beginning in FY 1998 and annual performance plans beginning in FY 1999. The strategic plans need to include comprehensive mission statements and general goals and objectives for the agencies' major functions. The annual performance plans, which are based on the strategic plans, should set specific performance goals for the year. Performance indicators will then be used to monitor progress toward meeting the goals. By adopting a focus on outcomes, agency effectiveness and congressional decision-making are expected to improve.

Outcome indicators are useful to program managers and policymakers in assessing the status of program operations, identifying areas needing improvement, and ensuring accountability for end results. Indicators alone, however, do not show the extent to which the program accounts for an observed outcome. For example, suppose 25 percent of JOBS participants become employed in a certain time period. JOBS activities as well as events outside the program, such as participants' independent efforts to find work or an upsurge in the economy, could account for participants finding employment. Determining the extent to which the program contributed to the observed outcome involves studies that use experimental designs to estimate what would have happened without the program. In this example, to estimate the program's impact, such studies might compare the percentage of JOBS participants becoming employed with the percentage of comparable AFDC recipients becoming employed without the program. To measure the impact of JOBS, FSA authorized studies using experimental designs to isolate the actual impact of the program. Because such evaluations are usually costly, they are done infrequently and often involve only select locations.

HHS Has Made Little Progress in Establishing an Outcome-Focused JOBS Performance Monitoring System

Six years after passage of FSA, HHS only holds state JOBS programs accountable for participation, not employment. As a result, very limited national data are available regarding the outcomes of JOBS participants. In addition, the current approach to performance monitoring does not assist states in determining whether they are meeting program goals related to employment and independence from welfare. According to HHS, a combination of technical and environmental factors has impeded the development of outcome indicators for JOBS.

HHS Data Gathering for JOBS Focuses on Participation, Not Outcomes

HHS focuses its JOBS data collection primarily on indicators of participation. It collects information from all states on the numbers of program participants, expenditures on target group members, and the activities individuals are participating in on a monthly basis. States are accountable for meeting process goals; if they fail to meet these goals the rates at which state expenditures are matched by federal dollars may be reduced.[3]

Although HHS has established some outcome indicators, data on these indicators present a very incomplete picture of JOBS outcomes. HHS data on job entry show that on an average monthly basis in FY 1993, 8 percent of JOBS participants entered employment.[4] In addition to job entry, HHS gathers data on hourly wages and whether an individual stopped receiving AFDC due to increased income from working. An ACF official told us that because states are not held accountable for outcomes, neither the states nor HHS pays much attention to the monthly outcome data submitted.

The usefulness of HHS' outcome indicators as tools to help manage the program is limited for a number of reasons. Because of this approach to gathering information, HHS cannot answer important questions regarding whether participants are becoming self-sufficient. To measure participants' activities, including education, training, job search, and employment, HHS gathers data each month on a sample of JOBS participants who (1) took part in any JOBS-sponsored activity in that month or (2) became employed in the sample or preceding month. The sample, therefore, excludes anyone who has been employed for more than 2 months or did not participate in a JOBS activity in the sample month. This approach to sampling is designed to measure participants' current employment-related activities, not outcomes related to whether participants remain employed and move off AFDC as a result of their earnings. To measure such outcomes, HHS would need to track individual participants across time. In addition, current measurement approaches do not yield annual statistics—a common indicator of program performance—on the percentage of JOBS participants who became employed. HHS also believes that the quality of some of the data is poor. For example, an ACF official told us that the data on hourly wages are unreliable because they are missing in many cases and often entered incorrectly.

[3]For example, if a state failed to meet the JOBS participation goal of 15 percent of adult nonexempt AFDC recipients in FY 1994, the federal matching rate in FY 1995 could be reduced from 90 percent to 50 percent (for expenditures up to an amount equal to the state's Work Incentive (WIN) program allotment for FY 1987).

[4]HHS began collecting data on job entry in FY 1992. The most recent year for which data are available is FY 1993.

Current Monitoring Approach for JOBS Does Not Support an Emphasis on Employment and Reducing Welfare Dependence

Our 1994 survey found that state JOBS directors believe that little progress has been made in establishing a performance monitoring system that supports achieving program goals related to employment and independence from welfare. Eighty-two percent of JOBS directors we surveyed believe that HHS has not sufficiently moved to focus JOBS on outcome measurement. Our survey also found that over one-half of state JOBS directors believe that the data gathered on participation rates and target group expenditures are of little or no use in helping states achieve their employment and training program goals. Over one-half of the states believed that the nature of federal reporting requirements actually hindered their abilities to collect data on outcome indicators. In addition, ACF reported in May 1994 that while it spends a significant amount of time and resources on monitoring for JOBS and other programs, performance monitoring at ACF is in a "state of crisis," in part because the system does not provide a means for determining if programs are producing the desired outcomes.[5]

These beliefs echo concerns about the absence of outcome data voiced in 1989 in response to HHS' notice of proposed rule making (NPRM) for JOBS. In its NPRM for JOBS, HHS originally included no outcome indicators. Numerous commenters on the NPRM, however, favored the addition of outcome data. Some of them believed that an excessive emphasis on participation would drive program operations toward meeting goals not necessarily related to achieving independence from welfare through employment. In response to the NPRM comments, HHS amended its proposed regulations to include some outcome data related to job entry stating that these data should be included

> "since employment as a means to self-sufficiency and independence from welfare is the objective of the JOBS program."

However, HHS chose not to include additional outcome measures at that time, in part, because it agreed with one commenter's concern that outcome data do not show the extent to which the program accounts for the observed outcomes.

HHS' lack of an outcome-focused performance monitoring system also limits the possibilities for information sharing and coordination with other employment and training programs, such as the Job Training Partnership Act (JTPA). At the local level, JOBS' and JTPA's services are often combined

[5]Report of the Administration for Children and Families' Monitoring Team, Administration for Children and Families, Department of Health and Human Services (May 1994).

to meet the education, training, and support service needs of AFDC recipients. Close coordination is necessary between the programs to facilitate effective service delivery. In 1992, the National Governors' Association reported that a majority of the JTPA administrators they surveyed believed that one barrier to effective coordination was the lack of consistency between JTPA's outcome goals and JOBS' process reporting requirements.[6]

HHS Has Encountered Barriers to Developing an Outcome-Focused Performance Monitoring System

While FSA set process goals, it also required HHS to develop and submit recommendations for outcome goals to the Congress by October 1993. These recommendations were to include goals for increased earnings and reduced welfare dependency. HHS missed the October 1993 deadline, but submitted its report on September 30, 1994.[7] This report identified problems in developing an outcome-focused performance monitoring system and provided a detailed plan and schedule for developing outcome indicators and goals.

In its report to the Congress, HHS identified several technical and environmental factors that contributed to delays in the issuance of recommendations for outcome goals by the October 1993 deadline. HHS reported that appropriate outcome indicators had proven difficult to define in part due to disagreements among key stakeholders, such as researchers; congressional staff; and federal, state, and local officials, regarding the primary objectives of the JOBS program. In addition, setting goals was complicated by possible unintended program effects, such as programs focusing on the most employment-ready individuals in order to meet goals. HHS also reported that turbulence in the welfare system—for example, funding shortfalls and caseload growth—made it difficult to focus the necessary attention and resources on developing outcome goals. HHS also wanted to ensure that proposed goals were compatible with welfare reform plans being developed by the new administration.

[6]JTPA and JOBS: Coordination and Other Issues, National Governors' Association (Washington, D.C.: October 1992)

[7]In legislation passed in late October 1994, the reporting requirement was amended to allow HHS to submit a report to the Congress by October 1, 1994, on criteria for the development of outcome goals for JOBS.

Many States Active in Monitoring JOBS Program Outcomes, but Have Mixed Views About Setting Nationwide Goals

In contrast to the relatively slow progress at the federal level, many states have been active in developing outcome indicators to monitor JOBS participant outcomes. To a large extent, this activity has grown out of each state program's efforts to demonstrate its effectiveness and garner support for additional state funding. According to our survey results, states use a variety of outcome indicators, relying most often on the number of JOBS participants entering employment and less frequently on job retention rate and reductions in AFDC payments. Over one-half of the states have also established goals for their outcome indicators. Appendix II contains a copy of our survey questionnaire and results for selected questions.

Although many states use their own outcome goals and support establishing national goals, they have concerns about how these goals will be set and used. They maintain that HHS may not be able to adequately control for differences across states in local economic conditions and client characteristics that can affect how successful programs are in placing participants in jobs. They are also concerned that certain outcome indicators will automatically favor certain state programs and unduly influence program design decisions, which they believe should be maintained at the state level.

States Use Various Indicators to Monitor JOBS Outcomes

Despite the absence of a federal approach to collecting JOBS outcome data, many state programs have been active in tracking JOBS outcomes at the state level. Our survey of state JOBS directors showed that states use a variety of indicators to measure outcomes. The two indicators that states use most often are the number of JOBS participants entering employment and their hourly wages at hire (see table 1).

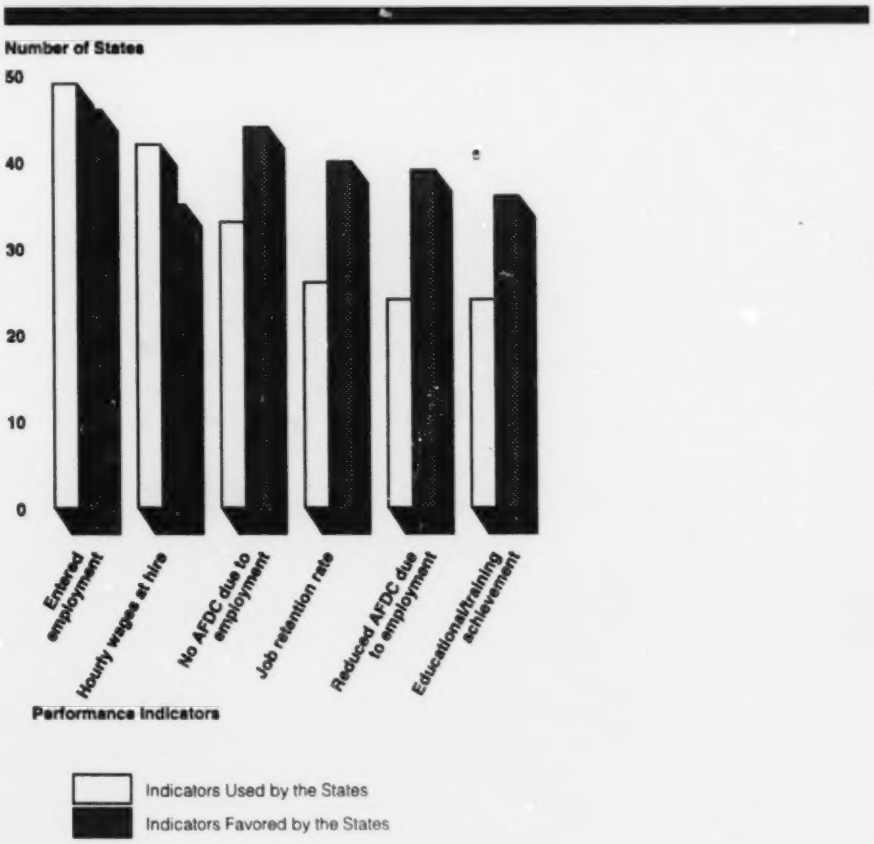
Table 1: Outcome Indicators Used by States

Indicator	Number of states using indicator[a]
Participants entering employment	49
Hourly wages at hire	42
Participants no longer receiving AFDC due to employment	33
Job retantion rate	26
Participants with reductions in AFDC due to employment	24
Educational/training achievement	24

[a]Base is 50 and includes 49 states who responded to our survey and the District of Columbia.

As shown in figure 1, almost all states reported that they collected data on the number of participants entering employment during FY 1993 and responded that this is one of the most important indicators to use to monitor JOBS outcomes. A relatively large number of states also collected data on hourly wages at hire. However, slightly fewer states favored using hourly wages at hire as an outcome indicator. Several states expressed concerns that hourly wages at hire were more a reflection of local economic conditions than an outcome of the JOBS program. One state official also noted that measuring hourly wages at hire could discourage programs from placing participants in low-wage entry-level positions, which often serve as stepping stones to higher paying positions.

Figure 1: Percent of States Using and Favoring Various Outcome Indicators



In comparison to employment entry and wages, only two-thirds of states collect data on the number of participants no longer receiving AFDC due to employment. However, as shown in figure 1, a relatively large number of states reported that they believe this indicator should be used to monitor program outcomes but do not collect the information because of the difficulty and resources required to obtain it.

Three other outcome indicators—job retention rate, the number of participants with reductions in AFDC due to employment, and educational achievement—are used by almost one-half of the states. Many more states, however, favored using these three indicators. While the survey results show that state officials believe that job retention rate and changes in AFDC benefits are particularly useful outcomes to monitor, tracking AFDC recipients after case closure is difficult, time-consuming, and expensive, according to several state officials. Staffing limitations and the inability to locate ex-AFDC clients were two reasons they cited for not pursuing these indicators more aggressively. Several states also explained that resources allocated to data collection are limited and that they are bound to first comply with federal reporting requirements. One state official doubted the program would be given the authority or resources to gather additional data without a federal mandate to do so.

States also have relied on different approaches to measure outcomes. For example, to measure the employment rate of JOBS participants, some states tracked JOBS participants over time and maintained a count of individual JOBS participants obtaining or retaining employment over a year. Other states performed periodic studies to determine how many JOBS participants were working and for how long. Other states did no more than collect the monthly caseload data required by HHS.

Given the variation in how states measure employment rates, determining the rate at which JOBS participants are finding employment on a national basis is difficult. However, as part of our survey of state JOBS program directors, we asked states to provide the number of JOBS participants who had obtained employment during FY 1993. Based on the responses from the 27 states able to provide data in the format requested, approximately 21 percent of JOBS participants entered employment during FY 1993.[8] We also asked states to provide data on the number of JOBS participants

[8]Of the 50 states, 27 provided us with total number of JOBS participants and the number who had entered employment during the year. These 27 states represent 54 percent of the average monthly participants in the JOBS program. Because we do not have a national count of the total number of JOBS participants during the year, we could not determine the percent of the total number of participants in a year represented by these states.

retaining their jobs for 3 months. For the nine states reporting this information, 33 percent of JOBS participants who entered employment retained their jobs for at least 3 months.[9]

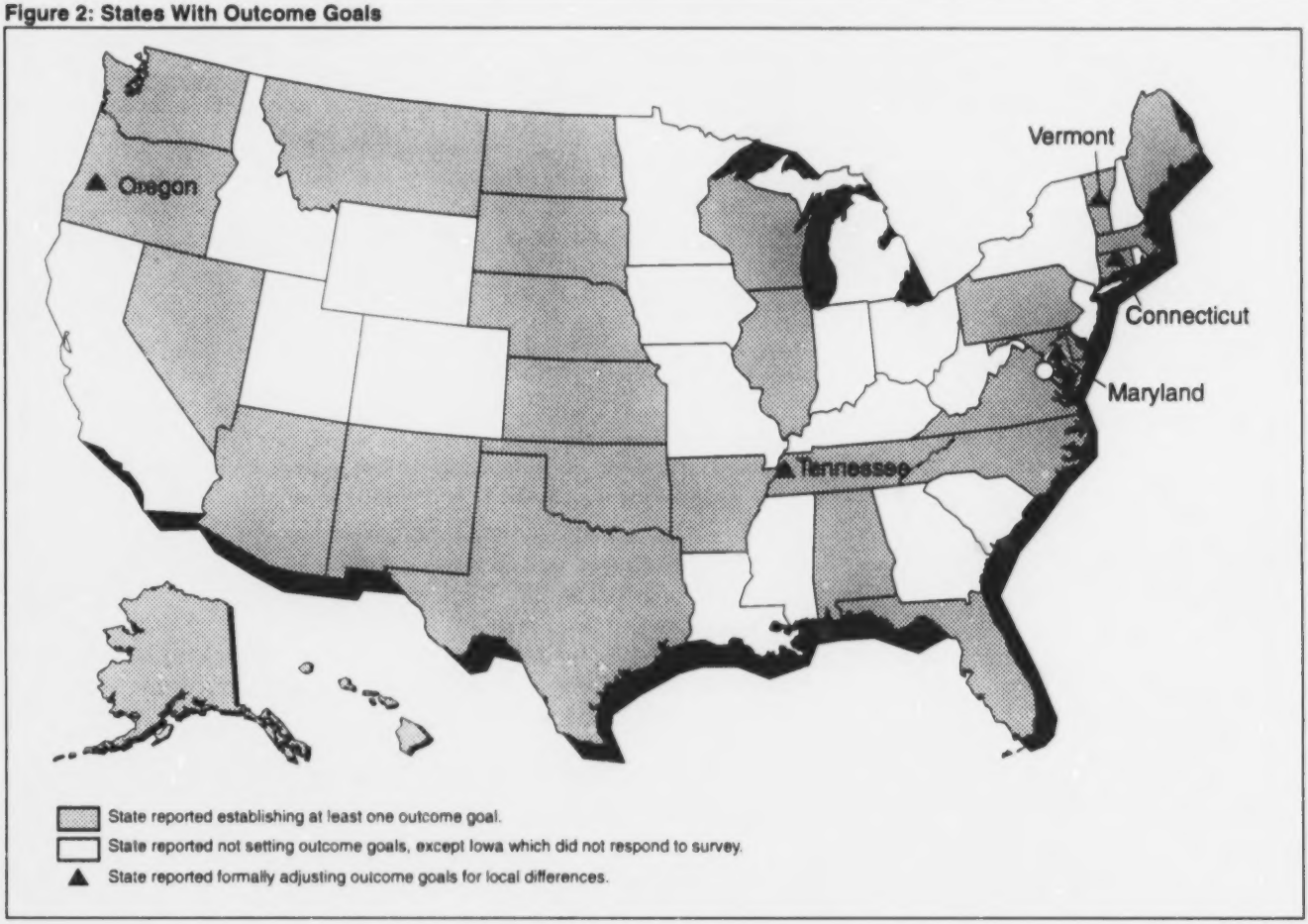
While states have taken different approaches to measuring outcomes, their interest in outcome measurement appears high. As mentioned earlier, according to our survey, 82 percent of states indicated HHS has not done enough to establish outcome indicators for JOBS. Officials in several states emphasized that they need to establish outcome indicators to provide their state legislatures with information about JOBS participants outcomes. Some states were also disappointed that HHS had not introduced outcome indicators earlier when states were implementing their JOBS data collection systems so that they would not have to modify their systems later to meet federal reporting requirements.

Majority of States Support Establishing Outcome Goals, but Want Substantial Control Over Their Development and Use

While states recognize the need and value of outcome indicators in managing the JOBS program, their views on establishing outcome goals are mixed. According to our survey, 29 states had established at least one goal at the state level for fiscal year 1993 (see fig. 2). Of these, five states reported that they formally adjusted the performance goals to account for local differences in client characteristics or the availability of employment.

[9]These nine states represent 16 percent of the average monthly number of JOBS participants.

Figure 2: States With Outcome Goals


Vermont
Oregon
Connecticut
Maryland
Tennessee
State reported establishing at least one outcome goal.
State reported not setting outcome goals, except Iowa which did not respond to survey.
State reported formally adjusting outcome goals for local differences.

As shown in table 2, of the 29 states with established goals, 27 reported that they did so for the number of participants entering employment. A substantial number of these states also had established goals for hourly wages earned at the time of hire, job retention rate, and educational/training achievement.

Table 2: Outcome Goals Used by States

Outcome Indicator	Number of states with goals[a]
Participants entering employment	27
Hourly wages at hire	16
Educational/training achievement	14
Job retention rate	12
Participants no longer receiving AFDC due to employment	9

[a]Base is 29 states that reported establishing at least one goal.

Several states have been particularly active in developing and using state-level outcome goals. For example, North Carolina has established goals for several outcome indicators, including (1) the percentage of JOBS participants obtaining employment, (2) AFDC closures or reductions due to earnings, and (3) the percentage of JOBS participants returning to the AFDC rolls. New Mexico has recently started funding programs based on performance; its JOBS program will receive state funding based on how well it does in meeting established goals. Similarly, California has recently undertaken an initiative to allocate to counties a portion of state funding based on performance against designated outcome goals. A recent study by the American Public Welfare Association's (APWA) Institute for Family Self-Sufficiency also confirmed that more states are establishing outcome goals as mechanisms for managing and improving their programs.[10]

A majority of states also support the establishment of nationwide outcome goals, although many states are concerned about how goals will be set and used at the federal level. Over 90 percent of the states responding to our survey indicated that they would like the flexibility to establish their own goals or to choose their goals from a menu established by the federal government. During follow-up interviews, state officials emphasized that they believed certain outcome indicators would favor particular state approaches to implementing the JOBS program. For example, programs that invest more in education and training would benefit from being judged on education and training achievement or hourly wages at hire, while programs focusing on early initial job search would probably fare

[10]APWA's report, Measuring Client Success: Six States Report on Efforts to Assess What Happens to Clients After They Receive JOBS Services is based on case studies of Kansas, Maryland, North Carolina, Oregon, Pennsylvania, and Wisconsin. APWA's results were similar to GAO's. APWA found that each of the six states used job placement as well as a variety of other performance goals to manage its programs. In all six states, performance goals were used to publicize the achievements of the JOBS program, hold contractors accountable to specific goals, and facilitate improvements in service delivery. Three states also used goals to determine funding for local programs.

better being judged on job entry rate. In either case, states agreed that they wanted to retain the flexibility to design their own JOBS programs.

State views were mixed on whether federal funds should be linked to meeting national outcome goals. Over 40 percent of the states were against linking outcome goals to federal funding, while nearly 30 percent were in favor of doing so. Several state officials did not believe that federal funding should be tied to national goals because they doubted that HHS could sufficiently control for differences in economic conditions and client characteristics across various geographical regions.

Establishing Outcome Indicators and Goals Is Critical to Making JOBS More Employment-Focused

Establishing effective outcome indicators and goals is critical to sharpening JOBS' focus on the ultimate goals of employment and independence from welfare, whether JOBS remains the same or is replaced with a welfare-to-work block grant program that includes some JOBS' objectives and activities, as has been proposed. Current congressional and public interest in welfare reform as well as GPRA requirements indicate a need for HHS to move decisively to establish national leadership regarding outcome measurement for JOBS. Before effective outcome indicators and goals can be established, important differences among stakeholders regarding the objectives of JOBS will have to be resolved.

HHS Plans to Add Outcome Indicators to the JOBS Performance Monitoring System and Modify the System's Process Indicators

In its September 1994 report to the Congress, HHS acknowledged the value of and affirmed its commitment to using outcome measurement in its performance monitoring system for JOBS. Specifically, HHS plans to develop outcome indicators and goals and refine existing process indicators and goals. In addition, HHS plans to modify the AFDC Quality Control system[11] by adding key process indicators, such as participation rates.

In developing outcome indicators and goals, HHS faces a complex and difficult task. HHS recognizes that it must ensure that indicators and goals help the program achieve its objectives and meet the needs of numerous stakeholders, including local service providers, state and federal managers, and policymakers. In its 1994 report to the Congress, HHS identified and laid the groundwork for addressing a number of critical design and implementation issues that must be addressed to ensure that indicators and goals support program objectives, are fair to all states, and avoid unintended program consequences. These issues include

[11]The states and HHS use the Quality Control system to evaluate whether AFDC payments are made accurately and to determine how well states comply with regulations to prevent waste, fraud, and abuse.

(1) developing a process to ensure states are given an equal opportunity to meet standards by adjusting for differences among states (that is, levelling the playing field), (2) designing strategies to discourage states from serving only the easiest-to-serve clients, and (3) selecting data collection approaches that are feasible and cost-effective.

To develop outcome indicators, HHS plans to convene a working group composed of representatives from the Congress, HHS, the Department of Labor, the states, AFDC recipients, community-based organizations, and others. This group will convene by April 1995 and make recommendations to HHS on specific outcome indicators and methods for data collection by January 1, 1996. Proposed indicators are to be published in the Federal Register no later than April 1996 and finalized by October 1, 1996. Using a similar process, current plans call for outcome goals to be developed and finalized by October 1, 1998.

HHS supports continued use of existing JOBS process indicators but believes that changes are needed to process goals to make them more effective. In addition, in its September 1994 report to the Congress, HHS proposed changing the process goal from the current 20 percent rate to a rate between 45 and 55 percent. HHS also suggested changing target-group goals to achieve higher levels of participation among the youngest AFDC parents.

Congressional and National Interest and GPRA Add Urgency to the Need for HHS to Establish Outcome Indicators

Recently, there has been strong congressional and national interest in AFDC becoming more focused on helping recipients become employed and leave AFDC in a limited time period. Numerous bills to reform AFDC and JOBS were introduced in the 103rd Congress and more are likely to be introduced in the 104th. Several recent welfare reform bills would replace AFDC and JOBS with a welfare-to-work block grant program. To the extent that JOBS objectives and activities are retained in the block grant, outcome indicators and goals for JOBS would be useful in ensuring accountability and improving congressional oversight.

While FSA, which originally required HHS to develop outcome goals only for JOBS, was limited to one program, GPRA requires all federal agencies to develop strategic plans, annual performance plans, and annual performance reports. Strategic plans articulate the agency's essential mission, long-term general goals and objectives, and a plan of action for achieving the objectives. The annual performance plans, by establishing a set of performance indicators and goals, provide a link between the agency's longer-term objectives and what managers and staff must

accomplish on a daily basis to achieve those objectives. GPRA requires that agencies must submit to Congress 5-year strategic plans beginning in FY 1998 and annual performance plans beginning in FY 1999. The performance plans are expected to cover each program activity set forth in the agency's budget.

Currently, over 70 agencies and programs are involved in pilot projects for GPRA. The National Academy of Public Administration (NAPA) recently reviewed these pilots and found that some agencies had made limited progress in developing their plans due to insufficient preparation time. NAPA recommended that all programs in an agency, not only those currently operating as pilots, begin as soon as possible to develop strategic and performance plans so that the FY 1998 and FY 1999 deadlines could be met.

If JOBS activities are retained within an AFDC block grant, a system of accountability for the end results of these activities would still be needed. GPRA and the administration's National Performance Review (NPR) promote the use of outcome indicators for all programs, including those funded through block grants. To date, however, data collected by states under most block grants have focused on process indicators such as the number of clients served. In addition, past block grant programs have not often gathered consistent information on program activities and outcomes to support congressional oversight. In reviewing data collection under block grants, we found that, among other things, national leadership in directing the development of model data-gathering criteria could increase data comparability and, as a result, oversight.

Clarifying Program Objectives Is First Step in Establishing Indicators and Goals

HHS and performance monitoring system experts agree that the first critical step in developing outcome indicators and performance goals is to reach agreement among stakeholders, such as the Congress; researchers; and federal, state, and local officials, regarding the objectives of the program. According to HHS, disagreements among stakeholders about the objectives of the JOBS program have been a major obstacle to developing JOBS outcome indicators. Difficulty clarifying JOBS objectives may again prove to be one of the biggest obstacles in the effort to establish outcome indicators and goals.

In our survey of state JOBS directors, we found some disagreement regarding the programs' overriding objectives. Eighty percent of the directors responded that the overriding objective was to prepare and place

participants in employment that allows them to move off and stay off AFDC. The other 20 percent stated that their objective was to get participants employed in any job, part- or full-time, even if the job might not allow them to move off AFDC. These two objectives, although consistent with the overall objectives of FSA, would likely produce differently designed JOBS programs and different short-term results, thus making the establishment of appropriate outcome goals difficult.

Conclusion

Program managers, policymakers and other stakeholders need to know whether JOBS participants are finding employment and leaving AFDC. Very little is known nationally about the outcomes of JOBS participants because HHS has not moved aggressively on developing an outcome monitoring system. Many believe that establishing effective outcome indicators and goals is critical to refocusing JOBS on the ultimate goals of employment and independence from welfare. Effective indicators and goals would also help ensure accountability for achieving these critical outcomes should AFDC and JOBS be replaced with a welfare-to-work block grant program that includes some JOBS' objectives and activities. The states have a strong interest in outcome measurement and are aggressively pursuing a variety of approaches in this area. State efforts provide a rich well of experience that can be drawn on in developing a national approach to measuring JOBS outcomes. To meet the requirements of FSA and GPRA, HHS must move decisively to establish national leadership regarding outcome measurement for JOBS.

Agency Comments

In its March 28, 1995, comments on our draft report, HHS generally agreed with our conclusion that its data are incomplete and focused on process-oriented goals. However, HHS believes that we did not (1) adequately portray the difficulty of developing an outcome-focused performance measurement system or (2) give adequate weight to the importance of certain technical issues or the progress that HHS has made in addressing those issues (see app. III). We added language in the report to more explicitly recognize the difficulty of the task and HHS' progress in identifying important technical issues (see p. 15). HHS also suggested minor technical revisions to the draft, which we incorporated as appropriate.

Our work was performed between January 1994 and February 1995, in accordance with generally accepted government auditing standards, with the exception that we did not check the accuracy of outcome data reported by HHS and the states.

We are providing copies of this report to the Secretary of Health and Human Services, other HHS officials, and state JOBS program administrators. We will also make copies available to other interested parties upon request. Major contributors to this report are listed in appendix IV. If you have questions about this report, please call Robert MacLafferty on (415) 904-2000.

Sincerely yours,

Jane L. Ross

Jane L. Ross
Director, Income Security Issues

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Abbreviations

ACF	Administration for Children and Families
AFDC	Aid to Families With Dependent Children
APWA	American Public Welfare Association
FSA	Family Support Act
FY	fiscal year
GPRA	Government Performance and Results Act
HHS	Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills Training
JTPA	Job Training Partnership Act
NAPA	National Academy of Public Administration
NPR	National Performance Review
NPRM	notice of proposed rule making
WIN	Work Incentive program

Scope and Methodology

To determine the progress HHS had made in establishing outcome indicators and goals and the issues relevant to their development, we interviewed officials from HHS' Administration for Children and Families, which is responsible for the JOBS program at the federal level. We also reviewed (1) the data-reporting procedures for the JOBS program, (2) HHS reports that summarize the outcome data collected at the federal level, and (3) various reports on the status within ACF of monitoring and developing outcome measures. We did not verify the accuracy of federal data, but were told by HHS officials that the data were not complete or accurate. In addition, we reviewed the welfare-to-work and performance measurement literature and spoke with officials from various welfare research and interest groups, including APWA, the National Governors' Association, and the Manpower Demonstration Research Corporation.

To determine state performance measurement practices, in May 1994, we surveyed JOBS program administrators in the 50 states and the District of Columbia. We also examined 1993 and 1994 reviews of state JOBS programs conducted by ACF's regional offices and obtained available reports on outcome data produced by the states.

In our survey, we used a mail questionnaire to collect information on FY 1993 general program characteristics, the use of performance indicators and goals at the state level, and state preferences regarding the development of nationwide indicators and goals. We also requested information for selected outcome data elements for FY 1993. We received survey responses from the District of Columbia and all 50 states except Iowa. However, no respondents could provide complete responses to our request for annual, unduplicated outcome data for FY 1993, even though many states reported that they monitor some outcome measures.

To obtain additional information and determine why states did not provide requested outcome data, we conducted follow-up telephone interviews with officials in 10 states: Alaska, Arkansas, California, Idaho, Louisiana, New Jersey, New Mexico, Nevada, New York, and Washington. We first identified states that reported that they monitor participants entering employment but were unable to provide an annual, unduplicated count of JOBS participants entering employment for FY 1993 (as we had requested in our survey). Among these states, we then selected 10 to contact, which included states with large, medium, and small caseloads. Based on our follow-up work, we determined that six states could not provide annual, unduplicated data because the data were not available. In the other four

states, the data were available but reporting them would have required significant time or resources.

GAO Questionnaire Regarding JOBS Program Characteristics

Our survey, sent to state JOBS administrators, contained questions on general program characteristics, outcome indicators, outcome goals, and participant outcome data. This appendix includes the full text of the survey and the aggregate responses for the first three sections of the survey. The number cited next to each response category is the number of states that responsed.

The appendix does not include the responses regarding participant outcome data. Many states were not able to provide the total number of individuals served by their programs in fiscal year 1993 and even fewer states could answer questions about participant outcomes in the format that we requested. As a result, we have not annotated the participant outcome data section of the survey with the incomplete data reported to us.

U.S. GENERAL ACCOUNTING OFFICE
Survey of JOBS Program Directors Regarding Performance Standards and Participant Outcomes

INTRODUCTION

The U. S. General Accounting Office is conducting a study of performance standards and participant outcomes related to the Family Support Act of 1988. Specifically, we are interested in JOBS performance monitoring practices in your state and participant outcome data from your JOBS program. We are asking you to complete this questionnaire as part of a survey of all 50 state JOBS programs. The survey data will be used to provide a national picture of outcomes for the JOBS program. We will not use the data to compare performance among states.

INSTRUCTIONS

This questionnaire should be completed by the person who is most knowledgeable about performance monitoring and participant outcomes in your JOBS Program.

Please respond to the following questions for federal fiscal year 1993 (October 1, 1992 through September 30, 1993), unless otherwise noted. If your records are not organized by federal fiscal year, please respond for your state's fiscal year 1993.

Because some terms and their usage may vary across institutions, we have provided a glossary of terms that we will be using in the questionnaire. For example, the glossary defines outcome data and performance indicators. For your convenience, the glossary, listing the terms in alphabetical order, is on the inside cover of this questionnaire.

If you have any questions about this questionnaire, please call Steve Secrist in our San Francisco office, at (415) 904-2236. He will be glad to help you.

Please return the questionnaire in the enclosed pre-addressed business reply envelope within 14 days of receipt. If the envelope is misplaced, please return your questionnaire to:

Steve Secrist
U.S. General Accounting Office
301 Howard St., Suite 1200
San Francisco, CA 94105

Before mailing your completed questionnaire, please make a copy that you can refer to should we call to ask for additional information.

Thank you for your assistance.

Please provide the information below about the person whom we may contact regarding the completion of this questionnaire.

Name: _____

Title: _____

Agency: _____

Phone Number: _____

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GENERAL PROGRAM CHARACTERISTICS

1. In FY 93, was your JOBS program state-administered or county (locally) administered? (CHECK ONE)

   1. [39] State-administered
   2. [11] County (locally) administered

2. In FY 93, at what point in your JOBS program were most participants required to engage in a job search? (CHECK ALL THAT APPLY)

   By **participants** we mean individuals who participated in at least one hour of approved JOBS component activities. **Approved JOBS activities** are those which states can provide according to federal regulations.

   1. [5] Upon first involvement with JOBS
   2. [36] After completion of formal assessment, if determined job ready
   3. [18] After completion of an education activity, but before completion of the participant's employability plan
   4. [21] After completion of a training activity, but before completion of the participant's employability plan
   5. [19] After completion of a work-related activity, but before completion of the participant's employability plan
   6. [25] After completion of <u>all</u> activities in the participant's employability plan
   7. [11] After a determination that an individual is not making satisfactory progress in an education/training component
   8. [1] Never required
   9. [12] Other (PLEASE SPECIFY)

      _____

   10. [0] Don't know

3. In FY 93, had most county (local) JOBS programs in your state established a minimum education level at which they considered participants ready for employment? (CHECK ONE)

   1. [27] Yes **(CONTINUE)**
   2. [23] No **(GO TO QUESTION 5)**
   3. [0] Don't know **(GO TO QUESTION 5)**

4. What is the minimum educational level at which the largest number of your county (local) JOBS programs considered participants ready for employment? (CHECK ONE)

   1. [10] Literacy level at grade 8.9
   2. [13] High school diploma or GED equivalent
   3. [4] Other (Please specify)

      _____

5. In general, when your state prepared JOBS participants for employment in FY 93, which of the following was more similar to your program's <u>overriding</u> goal? (CHECK ONE)

   1. [10] To get participants employed in any job, part-or full-time, even if the job might not allow them to move off AFDC
   2. [40] To prepare and place participants in employment that allows them to move off and stay off AFDC

6. In most of the county (local) JOBS programs in your state, what, if anything, happened to mandatory participants who refused to participate in a component activity in FY 93? (CHECK ONE)

   The initial refusal ...

   1. [39] started the sanction and reconciliation process
   2. [6] had no immediate consequences, but subsequent refusals started the sanction and reconciliation process
   3. [2] had no consequences
   4. [3] Other (PLEASE SPECIFY)

   _____

7. Consider the services your state provided to JOBS participants in FY 93. During the course of providing these services, how often, if ever did your state communicate to its JOBS participants that the ultimate goal of the JOBS program is employment? (CHECK ONE)

   1. [18] Very often
   2. [24] Often
   3. [3] Sometimes
   4. [1] Rarely, if ever
   5. [4] Don't know/No basis to judge

8. In FY 93, to what extent, if any, did the JOBS program in your state emphasize to JOBS workers that their role was to prepare JOBS participants for employment? (CHECK ONE)

   1. [15] To a very great extent
   2. [23] To a great extent
   3. [8] To a moderate extent
   4. [4] To some extent
   5. [0] To little or no extent
   6. [0] Don't know

9. In FY 93, to what extent, if any, did the JOBS program in your state emphasize to JOBS participants that they were obliged to participate in JOBS program activities? (CHECK ONE)

   1. [21] To a very great extent
   2. [22] To a great extent
   3. [5] To a moderate extent
   4. [1] To some extent
   5. [1] To little or no extent
   6. [0] Don't know

10. To what extent, if any, has the JOBS program in your state moved the welfare system from a focus on income maintenance to one promoting work and self-sufficiency? (CHECK ONE)

    1. [11] To a very great extent
    2. [6] To a great extent
    3. [17] To a moderate extent
    4. [14] To some extent
    5. [2] To little or no extent
    6. [0] Don't know

PERFORMANCE INDICATORS

11. In FY 93, did your state collect data on each of the following **performance indicators** to monitor the outcomes of your state's JOBS program? (CHECK YES OR NO FOR EACH)

Performance indicators are tools to monitor client outcomes in the JOBS program. By monitoring we mean that data are used by managers to assess program results.

PERFORMANCE INDICATORS	Yes (1)	No (2)
1. Educational/training achievement, such as graduation rates	24	26
2. Number of participants with reductions in AFDC grants due to employment	24	26
3. Number of participants no longer receiving AFDC due to employment	33	17
4. Number of participants entering employment	49	1
5. Number of participants entering employment that provides health insurance coverage	16	34
6. Hourly wages earned at time of hire	42	8
7. Expected weekly earnings at time of hire	11	39
8. Hourly wages earned at a specified time period after initial hire	11	39
9. Job retention rate after a specified length of time	26	24
10. Rate of return to AFDC, after a specified length of time, for those who left AFDC due to employment	14	36
11. Other (PLEASE SPECIFY) _____ _____	8	42

12. What are the most important performance indicators that should be used to monitor JOBS participant outcomes at the national level? (CHECK ALL THAT APPLY)

1. [36] Educational/training achievement, such as graduation rates
2. [39] Number of participants with reductions in AFDC grants due to employment
3. [44] Number of participants no longer receiving AFDC due to employment
4. [46] Number of participants entering employment
5. [29] Number of participants entering employment that provides health insurance coverage
6. [35] Hourly wages earned at time of hire
7. [13] Expected weekly earnings at time of hire
8. [20] Hourly wages earned at a specified time period after initial hire
9. [40] Job retention rate after a specified length of time
10. [41] Rate of return to AFDC, after a specified length of time, for those who left AFDC due to employment
11. [7] Other (PLEASE SPECIFY) _____ _____

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13. Which of the following performance indicators, if any, does your state believe should not be used to monitor JOBS participant outcomes at the national level? (CHECK ALL THAT APPLY)

    1. [5] Educational/training achievement, such as graduation rates
    2. [4] Number of participants with reductions in AFDC grants due to employment
    3. [2] Number of participants no longer receiving AFDC due to employment
    4. [1] Number of participants entering employment
    5. [9] Number of participants entering employment that provides health insurance coverage
    6. [9] Hourly wages earned at time of hire
    7. [18] Expected weekly earnings at time of hire
    8. [15] Hourly wages earned at a specified time period after initial hire
    9. [4] Job retention rate after a specified length of time
    10. [3] Rate of return to AFDC, after a specified length of time, for those who left AFDC due to employment
    11. [3] Other (PLEASE SPECIFY)

        _____

        _____

14. For each of the performance indicators that you checked in question 13, please briefly describe the reason why your state believes it should not be used to monitor JOBS participant outcomes at the national level.

15. Which one of the following methods for establishing nationwide JOBS performance indicators would your state prefer? (CHECK ONE)

    1. [0] Federal government, in consultation with the states, establishes the indicators for all states
    2. [34] States have flexibility to choose indicators from a menu established by the federal government in consultation with the states
    3. [12] States have complete flexibility to establish their own indicators
    4. [4] Other (PLEASE SPECIFY)

        _____

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16. How much do you think HHS' Administration for Children and Families (ACF) has moved the JOBS program to focus on performance indicators related to participant outcomes-- more than enough, enough, or less than enough? (CHECK ONE)

    1. [0] Much more than enough
    2. [1] More than enough
    3. [7] Enough
    4. [25] Less than enough
    5. [16] Much less than enough

    [1] No answer provided

17. During FY 93, how easy or difficult was it for your state to collect data on outcome-related performance indicators? (CHECK ONE)

    1. [0] Very easy
    2. [5] Somewhat easy
    3. [5] Neither easy nor difficult
    4. [23] Somewhat difficult
    5. [17] Very difficult
    6. [0] No basis to judge

18. During FY 93, to what extent, if any, did each of the following factors hinder your program's ability to collect data on outcome-related performance indicators? (CHECK ONE FOR EACH REASON)

PERFORMANCE INDICATORS	Little or No Extent (1)	Some Extent (2)	Moderate Extent (3)	Great Extent (4)	Very Great Extent (5)
1. Availability of funds	6	16	10	13	5
2. Availability of staff	3	6	9	20	12
3. Level of automation and data systems	5	9	10	10	16
4. Nature of current federal data gathering requirements	5	3	15	12	15
5. Amount of guidance provided by ACF on JOBS performance indicators related to outcomes	18	6	12	7	7
6. Others (PLEASE SPECIFY) _____					
_____					

PERFORMANCE STANDARDS

19. In FY 93, did your JOBS program have state-wide **performance standards** for any of the outcomes you monitor?

    Performance standards are benchmarks for given performance indicators. For example, a program may collect data on the performance indicator "number of participants entering employment." Its performance standard may be "25 percent of participants will gain full-time employment each year." (CHECK ONE)

    1. [29] Yes **(CONTINUE)**
    2. [21] No **(GO TO QUESTION 22)**

20. For which JOBS participant outcomes did your state have state-wide **performance standards** in FY 93? (CHECK ALL THAT APPLY)

    1. [14] Educational/training achievement, such as graduation rates
    2. [3] Number of participants with reductions in AFDC grants due to employment
    3. [9] Number of participants no longer receiving AFDC due to employment
    4. [27] Number of participants entering employment
    5. [3] Number of participants entering employment that provides health insurance coverage
    6. [16] Hourly wages earned at time of hire
    7. [2] Expected weekly earnings at time of hire
    8. [1] Hourly wages earned at a specified time period after initial hire
    9. [2] Job retention rate after a specified length of time
    10. [3] Rate of return to AFDC, after a specified length of time, for those who left AFDC due to employment
    11. [0] Other (PLEASE SPECIFY) _____

21. In FY 93, did your state make any formal adjustments in its performance standards to account for local differences in either client characteristics or the availability of jobs? (CHECK ONE)

    1. [5] Yes
    2. [24] No

22. In FY 93, how many county (local) JOBS programs in your state had established countywide performance standards related to participant outcomes? (CHECK ONE)

    1. [16] All
    2. [2] Most
    3. [0] About half
    4. [7] Some
    5. [25] None

23. In FY 93, how many counties in your state had established performance standards related to participant outcomes for county (local) JOBS program managers or staff? (CHECK ONE)

    1. [7] All
    2. [3] Most
    3. [0] About half
    4. [3] Some
    5. [30] None

    [1] No answer provided

24. In your view, should nationwide performance standards related to participant outcomes be established for the JOBS program? (CHECK ONE)

    1. [9] Definitely yes
    2. [17] Probably yes
    3. [8] As much yes as no (undecided)
    4. [10] Probably no
    5. [6] Definitely no

25. If the federal government established nationwide performance standards related to participant outcomes for JOBS, which one of the following methods for establishing standards would your state prefer? (CHECK ONE)

    1. [1] Federal government, in consultation with the states, establishes the standards for all states
    2. [33] States have flexibility to choose standards from a menu established by the federal government in consultation with the states
    3. [13] States have complete flexibility to establish their own standards
    4. [3] Other (PLEASE SPECIFY) _____

26. If the federal government established nationwide performance standards related to participant outcomes for JOBS, should amounts of federal funding to state JOBS programs be linked to meeting these standards? (CHECK ONE)

    1. [3] Definitely yes
    2. [11] Probably yes
    3. [15] As much yes as no (undecided)
    4. [8] Probably no
    5. [13] Definitely no
    6. [0] No opinion

27. Consider the data you were required to collect and report to meet federal reporting requirements on **JOBS participation rates** in FY 93. How easy or difficult was it for your state to gather the data required to meet these reporting requirements? (CHECK ONE)

    1. [0] Very easy
    2. [3] Somewhat easy
    3. [2] Neither easy nor difficult
    4. [24] Somewhat difficult
    5. [21] Very difficult
    6. [0] No opinion

28. When your state collects federally required **JOBS participation rate data**, how useful, if at all, are these data in helping your state achieve its JOBS employment and training goals? (CHECK ONE)

    1. [1] Very useful
    2. [2] Moderately useful
    3. [20] Somewhat useful
    4. [26] Of little or no use
    5. [1] No Opinion

29. Consider the data you were required to collect and report to meet federal reporting requirements on **JOBS target groups** in FY 93. How easy or difficult was it for your state to gather the data required to meet these reporting requirements? (CHECK ONE)

    1. [3] Very easy
    2. [9] Somewhat easy
    3. [9] Neither easy nor difficult
    4. [18] Somewhat difficult
    5. [10] Very difficult
    6. [1] No opinion

30. When your state collects federally required **data on JOBS target groups**, how useful, if at all, are these data in helping your state achieve its JOBS employment and training goals? (CHECK ONE)

    1. [2] Very useful
    2. [5] Moderately useful
    3. [12] Somewhat useful
    4. [30] Of little or no use
    5. [1] No Opinion

JOBS PARTICIPANT OUTCOME DATA

In this section of the questionnaire we are interested in data that are **representative of your entire state.** If your state collects participant outcome data on a sample basis, please generalize to the entire JOBS caseload in answering the participant outcome questions. If you do not believe your sample data are representative of the entire state, please check the "data are not available" box.

31. Are you providing information in this section of the questionnaire by federal fiscal year or state fiscal year? (CHECK ONE)

    1. [ ] Federal fiscal year (10/1/92 - 9/30/93)
    2. [ ] State fiscal year --> What is the beginning and ending date for your state's fiscal year 1993?

       _____ to _____
       Month/Year Month/Year

32. Of your total AFDC and AFDC-UP recipients in FY 93, how many participated for at least one hour, at any time during the year, in an approved JOBS activity? An approved JOBS activity is one which states can provide according to federal regulations. (ENTER UNDUPLICATED NUMBER)

    _____ Number participating in an approved JOBS activity

    [ ] Data are not available--> **(GO TO QUESTION 51 ON PAGE 12)**

Employment Entry and Retention

33. Of those in an approved JOBS activity in your state in FY 93, how many entered subsidized or unsubsidized employment at some point during the year? (ENTER NUMBER; IF NONE, ENTER '0')

    1. _____ Entered subsidized employment

       [ ] Data are not available

    2. _____ Entered unsubsidized employment

       [ ] Data are not available--> **(GO TO QUESTION 46 ON PAGE 11)**

34. Of those who entered unsubsidized employment in FY 93, how many had high school diplomas or GEDs? (ENTER NUMBER; IF NONE, ENTER '0')

    _____ Had high school diplomas or GEDs

    [ ] Data are not available

35. Of those who did not enter unsubsidized employment in FY 93, how many had high school diplomas or GEDs? (ENTER NUMBER; IF NONE, ENTER '0')

    _____ Had high school diplomas or GEDs

    [ ] Data are not available

36. Of those who entered unsubsidized employment in FY 93, how many had any work experience in the previous 12 months? (ENTER NUMBER; IF NONE, ENTER '0')

    _____ Had work experience in the previous 12 months

    [ ] Data are not available

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37. Of those who did not enter unsubsidized employment in FY 93, how many had any work experience in the previous 12 months? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Had work experience in the previous 12 months

[ ] Data are not available

38. Of those who entered unsubsidized employment in FY 93, how many, if any, took (1) full time jobs (working 30 hours or more per week) and (2) part-time jobs (working less than 30 hours per week)? (ENTER NUMBERS; IF NONE, ENTER '0')

1. _____ Took full-time jobs

[ ] Data are not available

2. _____ Took part-time jobs

[ ] Data are not available

39. Of those who entered unsubsidized employment in FY 93, how many took jobs which provided them with health insurance? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Took jobs with health insurance

[ ] Data are not available

40. For those who entered unsubsidized employment in FY 93, on average how many months were they in an approved JOBS activity prior to entering employment? (ENTER NUMBER; IF NONE ENTER '0')

_____ Months in an approved JOBS activity

[ ] Data are not available

41. Consider the individuals in an approved JOBS activity who entered unsubsidized employment in your state during FY 93. Were follow-up efforts made to determine if they are still employed? (CHECK ONE)

1. [ ] Yes **(CONTINUE)**

2. [ ] No **(GO TO QUESTION 43)**

42. Consider again individuals in an approved JOBS activity who entered unsubsidized employment during FY 93. Please indicate the time period(s) during which you followed-up on these individuals, and for each applicable time period, provide the number of individuals who remained employed. (CHECK YES OR NO FOR EACH; IF YES, ENTER NUMBER)

	YES (1)	NO (2)	If yes --> NUMBER REMAINED EMPLOYED
1. After 3 months			_____
2. After 6 months			_____
3. After other time period (SPECIFY) _____			_____

Changes in AFDC Receipt for Those Who Entered Employment

43. For those in an approved JOBS activity who entered unsubsidized employment in FY 93, how many were in the following categories at time of job entry? (ENTER NUMBERS; IF NONE, ENTER '0')

1. Remained on AFDC with no grant reduction _____

[ ] Data are not available

2. Remained on AFDC with a reduced cash grant _____

[ ] Data are not available

3. Stopped receiving a cash grant _____

[ ] Data are not available --> **(GO TO QUESTION 46)**

44. Consider the individuals in an approved JOBS activity who stopped receiving AFDC due to employment in FY 93. Were follow-up efforts made to determine if they remained off AFDC? (CHECK ONE)

    1. [ ] Yes **(CONTINUE)**

    2. [ ] No **(GO TO QUESTION 46)**

45. Consider again the individuals in an approved JOBS activity who stopped receiving AFDC due to employment in FY 93. Please indicate the time period during which you followed-up on these individuals, and for each applicable time period, provide the number of individuals who remained off AFDC due to employment. (CHECK YES OR NO FOR EACH; IF YES, ENTER NUMBER)

	YES (1)	NO (2)	If yes --> NUMBER REMAINED OFF AFDC
1. After 3 months			_____
2. After 6 months			_____
3. After other time period (SPECIFY) _____			_____

Education Component

46. Of those in an approved JOBS activity in your state during FY 93, how many participated in an education component, that is adult basic education, English-as-a-Second Language, high school, GED, or post-secondary education? (ENTER UNDUPLICATED NUMBER; IF NONE, ENTER '0')

    _____ Number in an education component

    [ ] Data are not available--> **(GO TO QUESTION 51)**

47. Of those in your state's JOBS program who participated in an education component, how many successfully completed that component in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

    _____ Successfully completed education component

    [ ] Data are not available

48. Of those in your state's JOBS program who successfully completed an education component during FY 93, how many entered unsubsidized employment in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

    _____ Entered unsubsidized employment

    [ ] Data are not available

49. Of those in your state's JOBS program in FY 93 who successfully completed an education component, how many did each of the following. (ENTER NUMBERS; IF NONE, ENTER '0')

    1. Obtained high school diploma or GED _____

       [ ] Data are not available

    2. Obtained post-secondary degree _____

       [ ] Data are not available

    3. Other (PLEASE SPECIFY)

       _____ _____

50. Did your state test those who completed an educational component in FY 93 to determine whether they made any measurable educational gains as a result of their participation? (CHECK ONE)

    1. [ ] Yes

    2. [ ] No

Training Component

51. Of those in an approved JOBS activity in your state during FY 93, how many participated in a training component (program), that is, one which provides vocational training in technical job skills and/or helps develop knowledge and abilities in a specific occupational area? (ENTER UNDUPLICATED NUMBER; IF NONE, ENTER '0')

_____ Number in a training component

[ ] Data are not available --> **(GO TO QUESTION 55)**

52. Of those in your state's JOBS program who were in a training component during FY 93, how many successfully completed the training component in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Successfully completed training component

[ ] Data are not available

53. Of those in your state's JOBS program who successfully completed a training component during FY 93, how many entered unsubsidized employment in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Entered unsubsidized employment

[ ] Data are not available

54. Of those in your state's JOBS program who entered unsubsidized employment in FY 93 after completing a training component, how many, if any, entered an occupation for which they had been trained by the JOBS program? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Entered occupation for which they were trained

[ ] Data are not available

Teen Parents

55. How many teen parents participated in an approved activity in your state's JOBS program during FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Teen parents in approved JOBS activity

[ ] Data are not available --> **(GO TO QUESTION 60)**

56. Of the teen parents participating in an approved JOBS activity, during FY 93 how many were in a high school, GED, basic education, or similar education program? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Teen parents in education programs

[ ] Data are not available

57. Of the teen parents in an education program during FY 93, how many completed their high school degree or equivalent education program in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Teen parents completed high school or equivalent

[ ] Data are not available

58. Of those teen parents who completed a high school degree or equivalent education program, how many entered employment in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Teen parents who completed a high school degree or equivalent and entered employment

[ ] Data are not available

35

59. Of those teen parents without a high school degree or equivalent, how many entered employment in FY 93? (ENTER NUMBER; IF NONE, ENTER '0')

_____ Teen parents without a high school degree or GED and entered employment

[ ] Data are not available

PARTICIPATION, COST AND PROGRAM EVALUATIONS

60. Of your total AFDC and AFDC-UP recipients in **January, 1994**, how many participated in an approved JOBS activity during the month? (ENTER UNDUPLICATED NUMBER; IF NONE, ENTER '0')

_____ Number participating in an approved JOBS activity

61. Of those in an approved activity in your state's JOBS program in **January, 1994**, how many had participated in JOBS for a **total** of 2 years or more? (ENTER NUMBER; IF NONE, ENTER '0'.)

_____ Number participating in JOBS for 2 years or more

[ ] Data are not available

62. What is the average length of stay in months for a single spell on AFDC, for all AFDC recipients in your state and for those in an approved JOBS activity? (ENTER NUMBERS)

1. _____ Months for all AFDC recipients

   [ ] Data are not available

2. _____ Months for those in an approved JOBS activity

   [ ] Data are not available

63. What was the total annual cost (federal and state) of your JOBS program during FY 93? Please exclude child care costs and services obtained from other programs and not charged to the JOBS budget. (ENTER AMOUNT)

$ _____

[ ] Data are not available

64. Have the statewide JOBS program, a component of the statewide program, or a county (local) program ever been the subject of a program evaluation which used an experimental design to compare the outcomes of those who participate in JOBS with the outcomes of those who do not participate in JOBS. (CHECK ONE)

1. [ ] Yes --> Please provide the contact person, name and telephone number of the organization conducting the evaluation.

   Contact person: _____

   Name of Organization: _____

   _____

   Telephone Number: _____

2. [ ] No

65. In your opinion, which county (or other local jurisdiction) within your state operates the most effective JOBS program? By effective we mean a program that achieves state program goals and can document its success with outcome-based performance data or program evaluation results?

    Name of local jurisdiction: _____

    _____

    Please provide the name and phone number of the county JOBS director for the county named above.

    Name _____

    Phone Number (____)_____

66. In the space below, please briefly describe your reason(s) for selecting the above program.

COMMENTS

67. In this questionnaire, we ask about statewide performance data related to employment, job retention, AFDC status, and education and training. Have you collected any other data on JOBS outcomes in your state-- for example, from a special program, a pilot program, or a demonstration project? (CHECK ONE)

    1. [ ] Yes --> PLEASE PROVIDE YOUR DATA

    2. [ ] No

68. Please provide below any comments that you might have about this questionnaire, performance indicators and standards, or client outcomes in the JOBS program.

GLOSSARY

AFDC Recipient -- As used in this questionnaire, AFDC recipient refers to the parent or parents receiving AFDC benefits and does not include dependent children.

Approved JOBS Activity -- A JOBS activity which can be provided by states according to federal regulations.

Education -- Education includes programs such as adult basic education, English-as-a-Second Language, high school, GED, and post-secondary degrees.

Outcome Data -- Information about the status of individuals enrolled in JOBS at a given point in time. Examples of outcome data include the number of individuals who find a job, the number of individuals who are still employed after 1 year, and the number of individuals who leave AFDC due to wages.

Participants -- Individuals who participate in at least one hour of approved JOBS component activities.

Performance Indicator -- A performance indicator is a tool to monitor client outcomes in the JOBS program. For example, one possible performance indicator for the JOBS program could be the percent of those enrolled in the program who find jobs annually.

Performance Standard -- A performance standard is a benchmark or quantitative target for a given performance indicator. For example, 75 percent of teen parents enrolled in JOBS each year will complete their high school education.

Subsidized Employment -- Subsidized employment requires full or partial payment of the wages from government funds. Examples of this include on-the-job training and work supplementation.

Training -- Training programs provide vocational training in technical job skills and/or help develop knowledge and abilities in a specific occupational area.

Unsubsidized employment -- In unsubsidized employment, the wages of the employee are paid solely by the employer. For the purposes of this questionnaire, this includes employment for which an employer receives the Targeted Jobs Tax Credit.

Comments From the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

MAR 28 1995

Ms. Jane L. Ross
Director, Income
Security Issues
United States General
Accounting Office
Washington, D.C. 20548

Dear Ms. Ross:

Enclosed are the Department's comments on your draft report, "Welfare to Work: HHS Does Not Know If JOBS Participants Are Becoming Self-Sufficient." The comments represent the tentative position of the Department and are subject to reevaluation when the final version of this report is received.

The Department appreciates the opportunity to comment on this draft report before its publication.

Sincerely yours,

June Gibbs Brown
Inspector General

Enclosure

COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES ON THE GENERAL ACCOUNTING OFFICE (GAO) DRAFT REPORT: "WELFARE TO WORK. HHS DOES NOT KNOW IF JOBS PARTICIPANTS ARE BECOMING SELF-SUFFICIENT" (GAO/HEHS-95-86)

Thank you for the opportunity to comment on the draft report.

General Comments

The report identified many of the problems with data collection, the lack of consensus by Job Opportunities and Basic Skills Training (JOBS) directors on outcome goals and measures, and whether such goals and measures should be mandatory and/or subject to penalty. We agree that our data is incomplete and that our data collection has been largely focused on process-oriented goals.

We believe the report minimizes both the legislation's role in establishing the process measures and the States' inability to accurately report even the current required data elements. As the Department's Report to Congress indicated, there is general agreement that there should be outcome measures. Deciding on effective, equitable outcome goals and measures which allow State flexibility and account for variations across States is not easy. The only outcome measure that 49 of the 50 States presently collect is one that is currently required by the Department (i.e., JOBS participants entering employment).

Outcome goals drive program operations. With the interdependence of welfare-related programs like Aid to Families with Dependent Children (AFDC), Food Stamps and the Job Training Partnership Act, outcomes need to be consistent among related programs.

We have identified several issues that need to be addressed and dealt with prior to using outcomes as the basis for performance measurement and standards. These issues include:

- an inconsistent relationship between outcomes and program effectiveness;
- the establishment of a "level playing field" across and within States, and over time;
- the determination of who is "counted" in measuring performance; and
- the recognition that different State JOBS programs may have different objectives.

While these issues are briefly discussed by GAO, we do not believe that their importance nor the progress the Department has made in addressing these issues is given adequate weight. In particular, the Department has worked closely with researchers,

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academics, and Federal, State, and local officials to identify and develop methods to resolve these issues. This work has been critical in working towards the development of a performance-based system which will be effective in promoting both high performance programs and accountability. The Report to Congress prepared by the Department and submitted in September 1994, provides more detail on these issues and activities. The GAO report would be more balanced, accurate, and useful if it reflected both the issues faced in developing a responsible performance measurement system and the strides the Department has made in overcoming them.

Additionally, we believe that the title on your draft report does not accurately portray its content. We suggest that you change the title of your report to: "JOBS Outcome Indicators and Performance Goals."

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